



**Country Reports on Terrorism 2006**  
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**Chapter 2 -- Country Reports: East Asia and Pacific Overview**

**Philippines**

The Philippines, one of the earliest supporters of the War on Terror, continued its bilateral and multilateral counterterrorism efforts. In August, the Armed Forces of the Philippines (AFP) launched "Operation Ultimatum", a concerted effort to capture or kill the top Jemaah Islamiya (JI) and Abu Sayyaf Group (ASG) operatives on Jolo Island in the South. The operation has been highly successful to date as a number of ASG and JI members have been captured or killed since its inception. Philippine forces recently eliminated both Khadaffy Janjalani, the nominal leader of the Abu Sayyaf Group, and ASG spokesperson, Abu Solaiman. Operation Ultimatum is one feature of a U.S.-assisted strategy to strengthen the rule of law in the Sulu archipelago. Joint U.S.-Philippines military exercises known as "Balikatan" supported the Philippine government's campaign to separate terrorists from the general population and diminish support for their cause. The Antiterrorism Task Force arrested, captured, or killed 88 suspected terrorists, and seized over 900 kilograms of explosive materials. Philippine authorities also made some progress in tracking, blocking, and seizing terrorists' assets.

Despite some successes, major evidentiary and procedural obstacles in the Philippines continued to hinder the building of effective terrorism cases. A large and growing case backlog and the absence of consistent trials against terrorists were impediments to the prosecution of suspected terrorists. Despite plans dating back to 2001, the Philippine Department of Foreign Affairs (DFA) had yet to introduce a digitized, machine-readable passport. While the Philippines cooperated with U.S. requests for prosecutions for persons who had tampered or altered travel documents, the prosecutions carried low-level penalties for those convicted of such fraud. In addition, there was a reluctance to investigate or charge vendors or users of false documents. Under current Philippine law, the suspect must present the fraudulent document to a Philippine government authority in order for a crime to have been committed. At year's end, a counterterrorism bill approved in April by the House of Representatives remained in the Senate.

The Philippines experienced 93 bombings, ranging from improvised explosive devices and grenades to landmines, including:

- In February, the bombing of a karaoke bar located near a Philippine military base in Jolo left one dead and 22 injured.
- In March, a bomb exploded at the Sulu Consumers Cooperative in Jolo killing nine people and injuring 20.
- In June, a roadside bombing in Shariff Aguak killed three people and injured eight.



- In August, two bombs exploded almost simultaneously in Kidapawan City injuring three people.
- In September, a bomb exploded at a public market in General Santos City killing two people and injuring six.
- In October, a bomb exploded near the headquarters of the Sulu Philippine National Police in Jolo injuring two persons.
- In a separate October attack, three bombs exploded in Tacurong, Sultan Kudurat; Makilala, North Cotabato; and Cotabato City killing eight people and injuring over 30.

The Anti-Money Laundering Council (AMLC) was empowered by the Philippines Anti-Money Laundering Act of 2001 (AMLA), as amended in 2003, to investigate and prosecute money laundering. The AMLC is the lead agency responsible for implementing the asset freeze measures called for by the UN Security Council 1267 Sanctions Committee. Under current law, however, the AMLC cannot take direct action against suspected terrorists or those supporting terrorism, but must apply for a court order to inquire into bank accounts and direct the freezing of assets and transactions. The AMLC sometimes needed several months to issue the relevant resolution to the Court of Appeals after receiving information about a newly-listed terrorist entity and circulating it to the financial institutions. The AMLC has 91 cases pending in various stages with the courts, including 34 for money laundering, 24 for civil forfeiture, and the rest pertaining to freeze orders and bank inquiries. The slow judicial process hindered efforts by the AMLC to see these cases through to conclusion; a trial can take up to seven years to complete.

In April, a bilateral U.S. - Philippines Security Engagement Board (SEB) was inaugurated to address non-traditional security issues, including counterterrorism and maritime security. The SEB set the stage for the "Kapit Bisig" (Shoulder-to-Shoulder) counterterrorism framework that focused on civil affairs, capability upgrades, and support for AFP operations. The United States assisted the Philippines in establishing an interagency intelligence fusion center in Zamboanga City to support both maritime interdictions against transnational criminal/terrorist organizations, and the "coast watch" system in Mindanao, established with Australian assistance.

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